

1 AN ACT concerning taxes.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 213 as follows:

6 (35 ILCS 5/213 new)

7 Sec. 213. Production utility tax credit.

8 (a) Beginning with taxable years ending on or after  
9 December 31, 2003, each taxpayer engaged in production in  
10 this State is entitled to a credit against the tax imposed by  
11 subsections (a) and (b) of Section 201 in an amount equal to  
12 the amount spent by the taxpayer in the taxable year to pay  
13 taxes on electricity and natural gas purchased for the  
14 production purposes of the taxpayer. The Department shall  
15 establish by rule what constitutes "production" under this  
16 Section. The tax credit may not reduce the taxpayer's  
17 liability to less than zero.

18 (b) If the amount of the credit exceeds the tax liability  
19 for the year, the excess may be carried forward and applied  
20 to the tax liability of the 5 taxable years following the  
21 excess credit year. The credit shall be applied to the  
22 earliest year for which there is a tax liability. If there  
23 are credits from more than one tax year that are available to  
24 offset a liability, the earlier credit shall be applied  
25 first.

26 (c) This Section is exempt from the provisions of Section  
27 250.